

# The Tennessee Journal

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## Farewell to Golden Goose: Lobbying legend Hensley dies at 80

State lawmakers feigned outrage when *The Tennessean* reported in 1975 that Tom Hensley — the liquor lobbyist known for wearing three-piece suits and chomping on an ever-present cigar — would pick up the tab for any alcohol supplied to lawmakers at a package store within the Hermitage Hotel. Hensley, who died Sunday at age 80, appeared before a Senate committee to matter-of-factly confirm under oath he would pay for the booze of any lawmaker who wanted it. The store's proprietor confirmed to reporters the practice had been in place for decades.

Legislators may have wanted to wash their hands of the whole business but inadvertently showed many had been complicit in the handouts. The bombshell revelations helped give momentum to long-thwarted efforts to reform ethics laws in the state. Despite various moves to tighten the rules, Hensley continued to thrive as the celebrated “Golden Goose” of the lobbying corps for decades to come.

Hensley dropped out of high school in his hometown of Jackson at 17 in 1959 and soon found a job in Nashville working in a hospitality suite for state lawmakers at the Hermitage. He met his future wife, Dianne, in a hotel elevator and first began lobbying his erstwhile customers in 1965, joining the fray in a policy fight between nursing professions. The next year, he became an assistant lobbyist for the liquor wholesalers and rose to the top job in 1970.

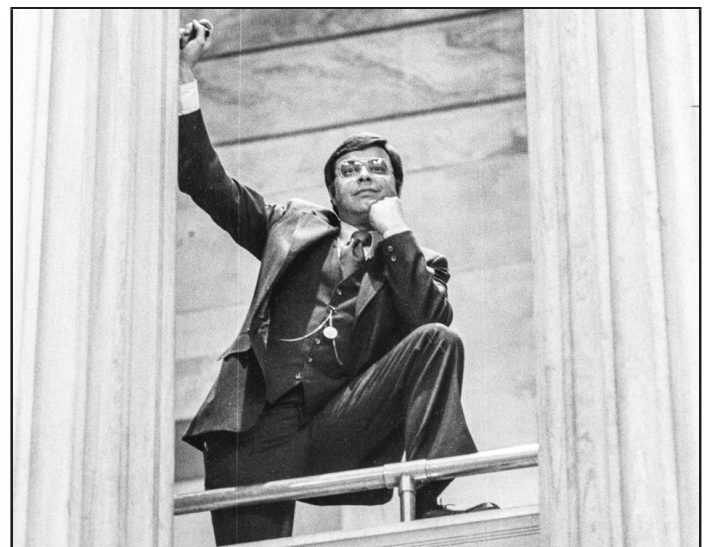
**Nocturnal adviser.** At a time when the governor's advisers and friends were issued low-numbered license plates to signal their status, new Republican Gov. Winfield Dunn in 1971 moved to eliminate the one Hensley had been issued. House members were outraged, passing a resolution lauding Hensley for his “willingness to sit down” over lunches, dinners, and “into the nocturnal hours with countless legislators, always discussing the issues of the day.” They voted to present Hensley with a special plate in the color of those provided to lawmakers bearing the word “GOOSE.”

The measure later failed in the Senate, but Hensley's nickname became a mainstay in media coverage critical of the wining-and-dining culture at the Capitol. Hensley didn't seem bothered by the attention, naming his new houseboat The Golden Goose. Hensley was also able to trade on his reputation as an effective lobbyist to land more business.

A “**dangerous**” product. Lawmakers in 1973 easily passed a bill to hike the minimum markup on liquor. But Dunn vetoed the measure, and by 1975 lawmakers were talking about getting rid of what critics saw as price-fixing measures to enrich liquor interests. Hensley circulated “fact sheets” decrying the proposal as making liquor easier to obtain by the masses, which he said would lead to increased joblessness, alcoholism, crime, and general lawlessness — points that would become a familiar refrain in fights over booze laws, such as the multi-year effort to allow wine to be sold in grocery stores.

Hensley ran for the state House seat vacated by then-Rep. Roger Murray when the Jackson Democrat decided to make a gubernatorial bid in 1978. Hensley said if elected he would remain in charge of the liquor association but would assign lobbying duties to someone else. Hensley won the nomination but lost to Republican Ken Baker in the general.

New Republican Gov. Lamar Alexander in 1979 vetoed his first bill, a measure brought by liquor retailers aimed at blocking the Walgreens drug store chain from selling alcohol in Tennessee. But Alexander allowed another measure to become law without his signature that gave liquor



Tom Hensley watches House proceedings from the gallery in 1979. (Dean Dixon, *Nashville Banner*. Nashville Public Library, Special Collections.)

wholesalers exclusive marketing rights to brands within their territories. While both bills were criticized as being anticompetitive, the success of the Hensley bill was seen as a testament to his lobbying prowess and his group's generosity — his association had given \$18,000 to Alexander's campaign and inauguration, or \$79,250 in today's money.

Hensley led a 1985 charge to increase the amount a lobbyist could spend on lawmakers without reporting the expenditure from \$25 to \$50. Despite a reputation for largesse, Hensley had never disclosed spending more than \$25 to entertain a legislator. Then why, his critics asked, did he want the threshold doubled?

**Rare losses.** In 1989, Hensley pushed for reducing the state tax on liquor coolers by three-fourths, a move seen as primarily benefiting Jack Daniel's. At the time, wine coolers were taxed at a rate of \$1.10 per gallon, while liquor coolers were charged \$4 per gallon. Proponents argued the two products should be taxed the same as they contained similar amounts of alcohol. The bill made it to the House floor, but just 24 of 99 members voted for it. "The timing just wasn't right," Hensley said afterward.

The same year, lawmakers approved an otherwise innocuous bill to allow booze to be served at a Crossville resort. But a little-noticed amendment also would have made hotels eligible to sell booze if they were located within five miles of any facility of more than 500 acres that had amusement equipment or entertainment facilities. In other words, Dollywood. Lawmakers were outraged upon learning they had unwittingly passed a bill legalizing liquor-by-the-drink in dry Pigeon Forge and Sevierville. Hensley, who had met with Dolly Parton a month earlier, argued it was an economic development bill. But its sponsors recalled the measure from the governor's desk and undid the change.

**TWRA.** Other than his lobbying work, Hensley also spent 18 years on the board of the Tennessee Wildlife Resources Agency. Under the guise of his role on the panel, Hensley in 1991 sought to amend a bill about how many fishing poles a person can use at one time. Under the change, mussel shells would have been slapped with an export tax. The state's biggest producer was James Peach, who had pumped \$75,000 into the underdog gubernatorial campaign of Republican Rep. Dwight Henry against Democratic incumbent — and Hensley ally — Ned McWherter in 1990. The amendment was defeated. As *The Tennessee Journal* observed at the time: "We've heard of trying to flex your political mussels, but we're glad lawmakers decided not to touch this one with a ten-foot fishing pole."

**Miss Tennessee.** Hensley spent decades leading the annual Miss Tennessee Pageant in Jackson. He harshly criticized a 2019 move by the national Miss America program to eliminate the swimsuit competition. The disagreement led to a schism within the state's beauty pageant. Miss Tennessee continued under new management, while the Hensley-led breakaway organization, Miss Tennessee Volunteer, continued to hold its own event, though winners no longer progress to the national competition.

**From central casting.** Hensley was a throwback to the old days of lobbying. He often sat in the front rows of committee meetings, signaling to lawmakers how he want-

ed them to decide matters and sometimes participating in voice votes. While a frequent media target, he maintained longterm friendships with lawmakers from both parties and cultivated a crew of like-minded lobbyists at the Capitol.

As such a prominent figure at the statehouse, Hensley was also a frequent subject of jokes in *The Tennessee Journal*. Here are some of our favorites:

- A Capitol metal-detectors proposal was shot down in the Senate. Members were probably concerned they would constantly be triggered by Tom Hensley's gold card. (1993)
- The Hermitage Hotel is overhauling its Capitol Grille and Oak Bar, longtime sites of power lunches and happy hours for lawmakers and lobbyists. The restaurant is to receive a new name when it reopens this fall. Is *Chez Golden Goose* already taken? (2021)
- Christmas gift for Tom Hensley: To help him live within the \$50 wining-and-dining restriction of the new lobbying law, 132 Visa cards, each with a \$49.99 credit limit. (1995)
- There's no such thing as a free lunch. That statement was first made by state Rep. Shelby Rhinehart, who ate so much at a free breakfast he was afraid he might lose his appetite for dinner with liquor lobbyist Tom Hensley. (1984)

### Money matters

## A look at the last campaign cycle's biggest donors, recipients, vendors

Campaign finance reports filed last week provide the final look at receipts and contributions for the most recent two-year campaign cycle. Here is *The Tennessee Journal's* overview of the biggest players.

**Top recipients.** In a gubernatorial reelection year, it's probably of little surprise Gov. Bill Lee was the candidate with the biggest haul of the cycle with \$4.81 million in donations. His Democratic opponent, Jason Martin, brought in \$1 million, much of which was spent during the primary.

Senate Speaker Randy McNally (R-Oak Ridge) collected \$1.05 million for his political action committee, plus \$308,800 for his campaign. House Speaker Cameron Sexton's PAC raised \$857,200, while the Crossville Republican's campaign raised another \$522,200. Sexton's combined total was about \$18,000 more than McNally's. The Senate Republican Caucus collected \$969,500, narrowly edging the House GOP's \$951,800.

Some of the heaviest fundraising activity took place in races for district attorney general. Nashville prosecutor Glenn Funk took in \$863,500, compared with \$181,500 for unsuccessful challenger Sara Beth Myers. Democratic challenger Steve Mulroy raised \$709,100 for his winning challenge of incumbent Republican Shelby County District Attorney General Amy Weirich, who raised \$625,400. Coty Wamp landed \$291,900 for her campaign that ousted Hamilton County prosecutor Neal Pinkston in the GOP primary.

The People for Fairness and Justice PAC raised \$835,250, including \$280,000 from financier George Soros and \$210,000 from Stand for Children, to support Shelby County Mayor Lee Harris and juvenile court candidate Tarik Sugarmon, who defeated longtime incumbent Dan Michael of Memphis. Stand for Children's \$619,000 haul included

# Tennessee News Digest

- Vice President Kamala Harris spoke at the Memphis funeral of Tyre Nichols, the man who died after being beaten at a traffic stop.
- Workers covered by the UAW contract at the General Motors' Spring Hill plant will receive up to \$12,750 in profit-sharing after the automaker posted better-than-expected earnings for the year.
- As of the new cycle, contribution limits for gubernatorial candidates are \$4,900 per

- individual per primary or general election. State Senate or House members can be given \$1,800 every two years.
- University of Tennessee-Martin Chancellor Keith Carver has been chosen to succeed Carrie Castille as head of UT's Institute of Agriculture in Knoxville.
- Former Hamilton County District Attorney General Neal Pinkston received a private reprimand from the state Supreme Court's

- Board of Professional Responsibility, the *Chattanooga Times Free Press* reported. A comptroller's probe determined Pinkston had violated the state's nepotism law by employing both his wife and her brother. Pinkston lost last year's Republican primary to Coty Wamp, who went on to win the general.
- More than 267,000 chickens have been destroyed in West Tennessee due to an outbreak of avian flu.

\$300,000 from the Sixteen Thirty Fund, a national progressive dark money group.

Team Kid PAC received all of its \$750,000 from Tennesseans for Student Success. Tennessee Advocates for Early Learning brought in \$402,000, all of which was supplied by Tennesseans for Quality Early Education. Tennesseans for Putting Students First got \$466,700, including \$295,000 from the 50CAN Action Fund and \$210,000 from Walmart heir Jim Walton. The state chapter of the American Federation for Children landed \$360,825, of which \$210,000 came from its national parent and \$150,000 from Walton.

Senate Majority Leader Jack Johnson of Franklin raised \$551,100 for his narrow Republican primary win over Gary Humble. Newly elected Rep. Caleb Hemmer (D-Nashville) was the top fundraiser among House candidates with \$525,500 in itemized contributions. Freshman Republican Sen. Brent Taylor of Memphis collected \$366,300, while Sen. Richard Briggs (R-Knoxville) received \$330,800.

The Tennessee Tomorrow PAC, the independent expenditure arm of legislative Democrats, raised \$321,900. Other big fundraisers included House Majority Leader William Lamberth's PAC (\$281,000), Republican House Finance Chair Patsy Hazlewood of Signal Mountain (\$275,700), and Democratic Rep. Bob Freeman of Nashville (\$275,000).

**Major vendors.** The cycle's top-grossing vendor was AdVictory of Grand Rapids, Mich., which brought in \$3.27 million from Lee's re-election campaign. Next was Gregory Gleaves' Direct Edge Campaigns, which generated \$2.03 million, or about twice as much as during the 2020 election. Top clients included the Republican Party's joint legislative account (\$684,700), Tennesseans for Putting Students First (\$187,800), Briggs (\$131,400), and unsuccessful GOP House candidate Janet Testerman of Knoxville (\$81,000.)

Coming in third was Layne Provine's Margin of Victory Partners of Collierville, with \$1.08 million. The GOP's joint legislative campaign spent \$387,500 with the outfit followed by \$97,600 from winning Senate candidate Taylor of Memphis and \$60,700 from unsuccessful judicial candidate Terry Leonard of Benton County.

John Rowley's Counterpoint Messaging was the fourth highest-earning vendor — and the state's top Democratic firm — with \$795,600. His biggest clients were Mulroy (\$336,800), unsuccessful Nashville circuit court candidate Wendy Longmire (\$171,900), and Ronnie Glynn of Clarksville (\$99,000), who narrowly won a vacant House seat. Republican fundraiser Kim Kaegi brought in \$781,000

from Lee's campaign to rank fifth, followed by \$730,200 for the Stoneridge Group of Alpharetta, Ga., for whom Bob Davis has handled Tennessee business. The latter got \$240,000 from the Team Kid PAC, \$129,000 from the GOP legislative committee, and \$54,700 from unsuccessful judicial candidate Vance Dennis.

Storytellers Group of Gallatin, which is run by former Rand Paul and Marco Rubio presidential campaign adviser Chip Englander, received \$572,400, split between Lee and the GOP legislative committee, to rank seventh. Sutton Reid Advertising of Memphis landed \$545,900 from Weirich's unsuccessful re-election bid. Ohio-based Flexpoint, Chip Saltsman's media buyer, rated ninth at \$520,500. Its two clients were the House Republican Caucus (\$373,900) and Taylor of Memphis. Rounding out the top 10 was IMGE LLC of Washington, which was paid \$429,900 by Lee.

Other top vendors were Brad Todd's On Message (\$406,800), Democratic firm Greenlight Media (\$393,700), Funk consultant Results Media (\$384,700), Florida-based GOP firm Big Dog Strategies (\$379,800), Democratic outfit Triumph Strategies (\$316,700), Tennessee Federation for Children's Louisiana-based consultant People Who Think (\$299,900), Memphis Republican firm Perry Strategies (\$250,100), and Majority Strategies (\$249,634).

**PAC spending.** Political action committees shelled out more than \$18 million during the cycle:

Rank (change)	Top PAC donors	Spent (change over 2020)
1 (-)	Tennessee Realtors	\$895,722 (+3%)
2 (+1)	Wine and Spirits Wholesalers	\$596,900 (+13%)
3 (+3)	Tennessee Bankers Association	\$420,000 (+42%)
4 (+6)	HCA Tristar Funds	\$409,100 (+75%)
5 (-1)	Amazon.com Services	\$366,150 (-3%)
6 (+1)	Tennessee Education Association	\$349,100 (+22%)
7 (+1)	Tennessee Highway Contractors	\$322,500 (+29%)
8 (-3)	Advance Financial	\$316,900 (-3%)
9 (-)	Independent Medicine	\$262,850 (+9%)
10 (+81)	Great Public Schools	\$261,800 (+456%)
11 (+6)	Tennessee Hospital Association	\$241,850 (+22%)
12 (+1)	Blue Cross Blue Shield of Tennessee	\$227,700 (+8%)
13 (-2)	Fedex Corp.	\$221,700 (+0.4%)
14 (new)	Stand for Children	\$210,000 (n/a)
15 (+1)	Tennessee Health Care Association	\$207,750 (+6%)

## Tennessee Notes & Quotes

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■ Gov. **Bill Lee** nominated **Dwight Tarwater** of Knoxville, a former legal adviser to Gov. **Bill Haslam**, to fill an upcoming vacancy on the state Supreme Court created by the retirement of Justice **Sharon Lee**. The other finalists were appeals judges **Kristi Davis** and **Tom Greenholtz**.

■ Nashville Mayor **John Cooper** announced he won't seek a second term this year, creating an open race at a time when legislative Republicans are moving to chip away at local authority in the state's largest city.

■ "In many respects, 2020 was itself a full term in office." — **Cooper** referring to the onset of the COVID-19 pandemic, a tornado, civil unrest and arson at the Metro Council, and a Christmas Day bombing.

■ Three candidates were already in Nashville mayor's race: Former economic development official **Matt Wiltshire** and Metro Council members **Freddie O'Connell** and **Sharon Hurt**. Several others are now weighing getting into the race, including former Mayor **Megan Barry**, state Rep. **Bob Freeman**, former AllianceBernstein executive **Jim Gingrich**, and Council member **Bob Mendes**.

■ The more candidates join the fray, the lower the threshold will likely be to make the September runoff. **Cooper** and then-Mayor **David Briley** won a respective 35% and 25% of the vote in a four-way race in 2019. In 2015, **Barry** was the top vote-getter among seven candidates with 23.5%. Runner-up **David Fox** received 22.8%. Of the five candidates in the open 2007 race, **Karl Dean** finished first with 24.1%, compared with 23.5% for **Bob Clement**. **Howard Gentry** missed the cut by less than half a percentage point.

■ Not every Nashville mayor's race has gone to a formal runoff. **Briley** won 54% in a special election to fill out **Barry's** term in 2018. **Phil Bredesen** won 70% of the vote in 1991 over his lone rival **Betty Nixon**. Four years earlier, Bredesen had made the runoff against **Bill Boner** but lost by 5 points. **Bill Purcell** in 1999 won 48% of the vote in the first round, which triggered a runoff against former Mayor **Richard Fulton**. But the latter decided to concede.

■ Memphis City Council member **Frank Colvett** became the 10th declared — and first white — candidate to succeed term-limited Mayor **Jim Strickland**. Colvett is a former treasurer of the state Republican Party. The nonpartisan mayoral contest does not have a runoff requirement.

■ "Over the cliff. Shut it down." — U.S. Rep. **Tim Burchett** (R-Knoxville) to CNN about his opposition to raising the federal debt limit.

■ Philip Morris International, which was spun off from cigarette maker Altria in 2008, is planning to enter the U.S. market for the first time in the noncombustible cigarette alternatives segment. **Jake Jacobs**, a former adviser to Alabama Gov. **Robert Bentley**, has been named the head of government affairs for the region that includes Tennessee.

■ Bristol attorney and former state lawmaker **Frank Winston** died last week at age 95. Winston, then 26, was elected to the House in 1954 after fellow Democrat **Harry Lee Senter** gave up the seat to make an unsuccessful bid

for the Senate. Winston served alongside future U.S. Rep. **Jimmy Quillen** (R-Kingsport) in the Sullivan County delegation, but decided against seeking another term after Senter announced he would run for his old position.

■ U.S. Rep. **Chuck Fleischmann** (R-Chattanooga) is the new chair of the House Appropriations' Energy and Water Development subcommittee. Rep. **David Kustoff** (R-Memphis) has been reappointed to the Ways and Means Committee. He will serve on the subcommittees on tax, trade, and social security. Rep. **John Rose** (R-Cookeville) is returning to the Financial Services Committee.

■ "Our preacher would say, 'If you don't know what you are, a boy or a girl, a male or a female, just go in the bathroom and take your clothes off and look in the mirror and you'll find out. You'll find what you are.'" — State Rep. **Paul Sherrell** (R-Sparta) about a transgender surgery bill.

■ "If we're having a professional wrestling show at a county fair, and some promoter decides to have a bra-and-panties match, is that potentially a crime under this legislation?" — Rep. **Scotty Campbell** (R-Mountain City) on a bill seeking to keep minors from attending "prurient" drag shows.

■ Republican lawmakers have introduced several bills aimed at punishing Nashville for refusing to host the 2024 GOP presidential convention. The first, which would shrink the size of the Metro Council from 40 members to 20, advanced out of a House subcommittee this week. Others would eliminate the city's ability to use privilege tax funds to pay off convention center bonds and curtail local appointment power to the airport and sports authority boards.

■ "Once politicians start playing games with credit, the cost of borrowing in the municipal market is going to go higher.... For some very short-term political fun, taxpayers had better steel themselves for some financial pain." — Bloomberg municipal market columnist **Joe Mysak** about the \$560 million balance on the Nashville convention center.

■ House Speaker **Cameron Sexton** (R-Crossville) in recent public appearances has also decried conditions along Nashville's party district, including panhandling, drug dealing, crime, and "that smell." Sexton notes the state government has jurisdiction to "clean up" the area because Lower Broadway is technically part of State Route 1, the Memphis to Bristol Highway.

■ New tourism motto for Nashville: "Someday a real rain will come and wash all the scum off the streets."

■ The University of Tennessee's 10-year plan for the flagship Knoxville campus calls for expanding its "zone of influence" to within a 1.5-mile radius, a move to streamline the acquisition of properties in nearby neighborhoods.

■ Maybe they got the idea from GOP lawmakers, who are looking to expand their zone of influence by 10 miles from the Cordell Hull building in Nashville to encompass the convention center, Lower Broadway, the football stadium, the international airport, and the Metropolitan Courthouse.

■ Not to mention the weekly Drag'n Brunch at Suzy Wong's House of Yum.